

EXHIBIT 1

Term Sheet

BINDING TERM SHEET FOR THE PURCHASE OF CERTAIN ASSETS
OF
KOONTZ-WAGNER CUSTOM CONTROLS HOLDINGS, LLC
BY
JOHNSON THERMAL SYSTEMS, INC.

Debtor Koontz-Wagner Custom Controls Holdings, LLC, an Indiana limited liability company (the “Debtor”), the Debtor in Case No. 18-33815, United States Bankruptcy Court for the Southern District of Texas (the “Court”).

Purchaser Johnson Thermal Systems, Inc., an Idaho corporation (“JTS”).

Trustee Rodney D. Tow, Chapter 7 Trustee for the Debtor (the “Trustee”).

Assets All structures, works in progress, raw materials, enclosures, partially completed enclosures and materials, partially completed tanks and materials, and loose materials pictured on Exhibit 1, all plans and schematics (including shop drawings) related to the structures, and all “IBI Power Brand” listings with Underwriters Laboratory, UL listing Nos. EFVT.MH26349, EELU.MH17604, EEEV.MH15690, QRXA.MH49030, NITW7.E2073416 hereto (the “Assets”).

Purchase Price In exchange for the Assets, JTS shall pay to the Trustee for the benefit of the Debtor’s estate the sum of \$282,062.80 (the “Purchase Price”).

Method of Transfer The purchase of the Assets (the “Purchase”) shall be effectuated pursuant to a sale under Section 363 of the United States Bankruptcy Code (the “Section 363 Sale”), free and clear of all liens, claims and encumbrances of any type whatsoever except as expressly set forth herein. The Trustee shall file with the Court a motion (the “Motion”) seeking approval of the Section 363 Sale, which shall be in form and substance acceptable to JTS and shall provide that JTS is a good faith purchaser entitled to the protections of Section 363(m) of the Bankruptcy Code.

Due Diligence The Trustee shall provide JTS with reasonable access to the Assets to inspect the same in advance of the closing of the Purchase.

Conditions to Closing The Purchase shall be subject to, among others, the followings conditions (which may be modified or waived only by JTS in writing):

- The Trustee shall have filed the Motion no later than August 13, 2018;
- The Court shall have entered an order (the “Order”) in form and substance acceptable to JTS approving the Section 363 Sale no later than August 27, 2018. The Order shall, among other things, (A) approve the Purchase free and clear of all liens, claims and encumbrances pursuant to inter alia, sections 105 and 363 of the Bankruptcy Code, (B) contain findings of fact and conclusions of law

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8/17/18

that JTS is a good faith purchaser entitled to the protections of Bankruptcy Code section 363(m) and is not a successor to the Debtor, and (C) contain such other terms which are otherwise acceptable to the JTS, in its reasonable discretion;

- The Order shall have become a final order, which shall have remained in full force and effect and shall not have been stayed, vacated, modified or supplemented without the JTS's prior written consent; and
- The closing of the Purchase shall have occurred no later than August 30, 2018.

***Definitive
Documents /
Court
Approval***

This Term Sheet does not contain all matters upon which agreement must be reached for the contemplated transaction to be consummated. Rather, this Term Sheet is presented only as a summary of principal terms and the parties shall expeditiously negotiate and complete a definitive written APA containing such representations, warranties and covenants as are customary for agreements of this sort under similar circumstances. The contemplated transaction and documents related thereto will be subject to all applicable notice requirements, procedures and final approval by the Court. This Term Sheet is intended to replace in all respects all prior written statements or other communications regarding the proposed transaction discussed herein. All prior negotiations and writings between the parties are merged in this Term Sheet and there are no promises, agreements, conditions, undertakings, warranties or representations, oral or written, express or implied, between the parties other than as set forth herein.

***Offer
Expiration***

This offer will expire on August 10, 2018, unless on or before such date the Trustee has returned a signed copy of this term sheet to JTS.

Counterparts

Copies of this Term Sheet may be executed on behalf of the Trustee and JTS, separately, and when each of them has executed a copy thereof and transmitted by facsimile or email pdf, such copies taken together shall be deemed a fully executed an original Term Sheet.

Rodney D. Tow w/ Permission
Rodney D. Tow, Chapter 7 Trustee for
Koontz Wagner Custom Controls Holdings,
LLC

JOHNSON THERMAL SYSTEMS, INC.

By: *[Signature]*

Name: *DAVE C. EDWARDS*

Title: *MANAGING DIRECTOR*

- 8/7/18

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UL LISTED
SECONDARY CONTAINMENT GENERATOR BASE TANK
UL 142

NO. A82332348
DATE
MODEL
CAPACITY

FOR USE WITH DIESEL FUEL ONLY

THIS TANK REQUIRES EMERGENCY RELIEF VENTING NOT LESS THAN:
LESS THAN _____ CUBIC FEET PER HOUR (PRIMARY TANK) AND NOT
LESS THAN _____ CUBIC FEET PER HOUR (SECONDARY/ANNULAR SPACE)
MAXIMUM RATED LOAD _____ LBS
PRESSURIZED PRIMARY TANK WHEN PRESSURE TESTING ANNULAR SPACE
MAXIMUM LEAKAGE TEST PRESSURE (TESTING ANNULAR SPACE)
MOUNT GENERATOR ONLY ON THE SUPPORT RAILS AND SECURE TO
MOUNTING BRACES PROVIDED
THIS TANK IS INTENDED FOR STATIONARY INSTALLATION ONLY
THIS TANK IS DESIGNED FOR STATIONARY INSTALLATION ONLY
NFPA 30, NFPA 37 AND/OR NFPA 11A